

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 9/11/2012	(3) CONTACT/PHONE Scott Duffield, Project Manager (805) 788-2316	
(4) SUBJECT Request approval of Amendment No. 27 (Clerk's File) to the agreement for professional engineering services with Black & Veatch Corporation, at no cost to the County, for design and construction support services; and award, at no cost to the County, a contract to Overland Contracting, Inc. for the repair of the Nacimiento Water Project Intake Pipe, Contract No. 300187.08.06 (Clerk's File). All Districts.			
(5) RECOMMENDED ACTION It is our recommendation that your Honorable Board acting as the San Luis Obispo County Flood Control and Water Conservation District (District): 1. Approve and execute the attached Amendment No. 27 to the Agreement for Professional Engineering Services with Black & Veatch Corporation in the amount of zero dollars (\$0.00) for Design and Construction Support Services; and 2. Approve and execute the attached contract for the Repair of the Nacimiento Water Project Intake Pipe, with Overland Contracting Inc., of Conyers, Georgia, for the Contract Price of zero dollars (\$0.00).			
(6) FUNDING SOURCE(S) FY 2012-13 Budget	(7) CURRENT YEAR FINANCIAL IMPACT \$294,974.18	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business (Time Est. _____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date	
(17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i>			
(18) SUPERVISOR DISTRICT(S) All Districts -			

Reference: 12SEP11-C-4

County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works
Scott Duffield, Project Manager

VIA: Dean Benedix, Utilities Division Manager

DATE: 9/11/2012

SUBJECT: Request approval of Amendment No. 27 (Clerk's File) to the agreement for professional engineering services with Black & Veatch Corporation, at no cost to the County, for design and construction support services; and award, at no cost to the County, a contract to Overland Contracting, Inc. for the repair of the Nacimiento Water Project Intake Pipe, Contract No. 300187.08.06 (Clerk's File). All Districts.

RECOMMENDATION

It is our recommendation that your Honorable Board acting as the San Luis Obispo County Flood Control and Water Conservation District (District):

1. Approve and execute the attached Amendment No. 27 to the Agreement for Professional Engineering Services with Black & Veatch Corporation in the amount of zero dollars (\$0.00) for Design and Construction Support Services; and
2. Approve and execute the attached contract for the Repair of the Nacimiento Water Project Intake Pipe, with Overland Contracting Inc., of Conyers, Georgia, for the Contract Price of zero dollars (\$0.00).

DISCUSSION

The Nacimiento Water Project (Project) consists of 45 miles of pipeline, with storage tanks, pump stations and appurtenant facilities (see attached Unit Map) for the purpose of conveying up to 15,750 acre feet of water from Lake Nacimiento to local water agencies within District boundaries. The Project entered into the Operations and Maintenance Phase on February 1, 2011.

On August 18, 2010, while construction work was being performed on the Project Intake Facilities (see attached Exhibit "A"), the intake pipe suffered a partial collapse. The collapse has not prevented the project from delivering water, and the repair work will only require short periods of interrupted delivery. The collapse, however, prevents the intake pipe from drawing water from the lake at different elevations and therefore impairs the Project's ability to obtain the best water quality available from the lake.

After discussions ensued between the District and the Project design engineer, Black & Veatch Corporation (Designer), as to responsibility for the collapse and damages related thereto. Amendment No. 27 to the existing Agreement for Professional Engineering Services with the Designer (Amendment), is a settlement of any and all disputes between the District and the Designer arising out of the pipe collapse incident. The Amendment provides for the repair and correction of the intake pipe damage through a no bid/zero (\$0.00) cost contract between the District and Overland Contracting, Inc. (OCI), a California-licensed engineering contractor that is a wholly-owned subsidiary of Black & Veatch Corporation. OCI will be responsible for performing all the work required to correct and repair the intake pipe. The work will be performed at no cost to the District and at the sole cost of the Designer. The Designer will guarantee the performance of OCI upon completion of the work and will guarantee the payment of any and all suppliers, subcontractors or service providers of any type involved in the performance of the work.

Due to the underlying circumstances, OCI can be selected directly to perform the work. Your Board will need to award the no-bid contract.

OTHER AGENCY INVOLVEMENT/IMPACT

The Nacimiento Water Project delivers raw water to its participants, including the City of Paso Robles, Templeton Community Services District, Atascadero Mutual Water Company, City of San Luis Obispo and County Service Area 10, Zone A, all of which have a vested interest in the operation of the Nacimiento Water distribution system. The Participants have representatives on the Nacimiento Water Technical Support Group and Nacimiento Water Commission. The Commission will be considering the recommended action at their meeting of August 23, 2012, and staff will report their action to your Board at the time you are considering the recommended action.

The District has, and will continue to coordinate the procurement of temporary construction easements, use of the District's existing easements, and work schedule with Monterey County Water Resources Agency (MCWRA). District staff will provide final oversight of the construction repairs and acceptance of the work.

County Counsel has reviewed the attached Amendment No. 27, and Contract No. 300187.08.06 as to legal form and effect.

FINANCIAL CONSIDERATIONS

Since Amendment No. 27 and Contract No. 300187.08.06 will be undertaken at no cost to the District. The District has retained \$294,974.18 from payments due to the Designer, based on estimated costs that have and will be incurred by the District for support of the work relating to the intake pipe collapse and repair effort as set forth in Amendment No. 27. If, upon Final Completion of the Intake Pipe Repair work, the actual costs incurred by the District total less than the withheld amount, the District shall release to the Designer the difference. If the actual costs incurred by the District are equal to or higher than the retention amount, then no payment shall be due Designer and no payment by Designer shall be due under Amendment No 27. Computation of the estimated and known District costs is summarized in the attached Exhibit "B."

RESULTS

Approval of the recommended actions will provide for repair of the Nacimiento Water Project intake pipe so that the Nacimiento Water Project may perform to its full capabilities, providing a reliable supplemental water source and ensuring a healthy, safe, and well-governed community.

File: NWP E.10.1

Reference: 12AUG28-C-9

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ATTACHMENTS

1. Vicinity Map
2. Exhibit A - Intake Facilities
3. Exhibit B - Intake Pipe Repair Estimated and Known District Costs
4. Black & Veatch Amendment No. 27
5. Contract Documents